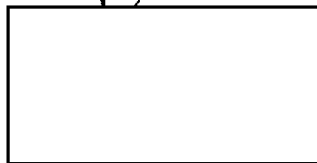


OLC (27 Nov 78)

DCI

Extract from the Staff Meeting Minutes of 27 November 1978:

The Director also called attention to the item in the "Executive Summary" regarding the Indian newspaper item alleging that 24 Indian journalists were associated with the CIA and that this information had been included in a U.S. Senate Committee report investigating U.S. intelligence activities in various countries. The Director said that he would like OLC to advise him on this. (Action: OLC)



is this + me?
What do we
know of this?

25X1

Received ABS 29 Nov. 4:10pm.

25X1

Approved For Release 2004/08/30 : CIA-RDP81M00980R001800010013-8

Next 11 Page(s) In Document Exempt

Approved For Release 2004/08/30 : CIA-RDP81M00980R001800010013-8

94TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ No. 94-755

FOREIGN AND MILITARY INTELLIGENCE

BOOK I

OGC LIBRARY

FINAL REPORT
OF THE
SELECT COMMITTEE
TO STUDY GOVERNMENTAL OPERATIONS
WITH RESPECT TO
INTELLIGENCE ACTIVITIES
UNITED STATES SENATE
TOGETHER WITH
ADDITIONAL, SUPPLEMENTAL, AND SEPARATE
VIEWS



APRIL 26 (legislative day, APRIL 14), 1976

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1976

69-983 O

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price \$6.35

ships, the CIA is not prohibited from the operational use of all other categories of grantee support under the Fulbright-Hays Act (artists, athletes, leaders, specialists, etc.). Nor is there any prohibition on the operational use of individuals participating in any other exchange program funded by the United States Government.

In addressing the issues of the CIA's relationship to the American academic community the Committee is keenly aware that if the CIA is to serve the intelligence needs of the nation, it must have unfettered access to the best advice and judgment our universities can produce. But this advice and expertise can and should be openly sought—and openly given. Suspicion that such openness of intellectual encounter and exchange is complemented by covert operational exploitation of academics and students can only prejudice, if not destroy, the possibility of a full and fruitful exchange between the nation's best minds and the nation's most critical intelligence needs. To put these intellects in the service of the nation, trust and confidence must be maintained between our intelligence agencies and the academic community.

The Committee is disturbed both by the present practice of operationally using American academics and by the awareness that the restraints on expanding this practice are primarily those of sensitivity to the risks of disclosure and *not* an appreciation of dangers to the integrity of individuals and institutions. Nevertheless, the Committee does not recommend a legislative prohibition on the operational exploitation of individuals in private institutions by the intelligence agencies. The Committee views such legislation as both unenforceable and in itself an intrusion on the privacy and integrity of the American academic community. The Committee believes that it is the responsibility of private institutions and particularly the American academic community to set the professional and ethical standards of its members. This report on the nature and extent of covert individual relations with the CIA is intended to alert these institutions that there is a problem.

At the same time, the Committee recommends that the CIA amend its internal directives to require that individual academics used for operational purposes by the CIA, together with the President or equivalent official of the relevant academic institution, be informed of the clandestine CIA relationship.

The Committee also feels strongly that there should be no operational use made of professors, lecturers, students, artists, and the like who are funded under United States Government-sponsored programs. The prohibition on the operational use of Fulbright grantees must be extended to other government-sponsored programs; and in this case the prohibition should be confirmed by law, given the direct responsibility of the Congress for these programs. It is unacceptable that Americans would go overseas under a cultural or academic exchange program funded openly by the United States Congress and at the same time serve an operational purpose directed by the Central Intelligence Agency.

B. COVERT RELATIONSHIPS WITH THE UNITED STATES MEDIA

In pursuing its foreign intelligence mission the Central Intelligence Agency has used the U.S. media for both the collection of intelligence

and for cover. Until February 1976, when it announced a new policy toward U.S. media personnel, the CIA maintained covert relationships with about 50 American journalists or employees of U.S. media organizations. *They are part of a network of several hundred foreign individuals around the world who provide intelligence for the CIA and at times attempt to influence foreign opinion through the use of covert propaganda. These individuals provide the CIA with direct access to a large number of foreign newspapers and periodicals, scores of press services and news agencies, radio and television stations, commercial book publishers, and other foreign media outlets.*¹³

The CIA has been particularly sensitive to the charge that CIA covert relationships with the American media jeopardize the credibility of the American press and risk the possibility of propagandizing the U.S. public. Former Director William Colby expressed this concern in recent testimony before the House Select Committee on Intelligence:

We have taken particular caution to ensure that our operations are focused abroad and not at the United States in order to influence the opinion of the American people about things from a CIA point of view.

As early as 1967, the CIA, in the wake of the National Student Association disclosure, moved to flatly prohibit the publication of books, magazines, or newspapers in the United States. More recently, George Bush, the new Director, undertook as one of his first actions to recognize the "special status afforded the American media under our Constitution" and therefore pledged that "CIA will not enter into any paid or contractual relationship with any full-time or part-time news correspondent accredited by any United States news service, newspaper, periodical, radio or television network or station."¹⁴

In approaching the subject of the CIA's relationship with the United States media, the Select Committee has been guided by several broad concerns. It has inquired into the covert publication of propaganda in order to assess its domestic impact; it has investigated the nature and purpose of the covert relationships that the CIA maintains with bona fide U.S. journalists; it has examined the use of journalistic "cover" by CIA agents; it has pursued the difficult issue of domestic "fallout" from CIA's foreign press placements and other propaganda activities. Throughout, it has compared current practice to the regulations restricting activities in this area, in order both to establish whether the CIA has complied with existing regulations, and, more important, in order to evaluate the adequacy of the regulations themselves.

1. Books and Publishing Houses

Covert propaganda is the hidden exercise of the power of persuasion. In the world of covert propaganda, book publishing activities have a special place. In 1961 the Chief of the CIA's Covert Action

¹³ For explanation of footnotes, see p. 179.

¹⁴ George Bush statement, 2/11/76.

Staff, who had responsibility for the covert propaganda program, wrote:

Books differ from all other propaganda media, primarily because one single book can significantly change the reader's attitude and action to an extent unmatched by the impact of any other single medium . . . this is, of course, not true of all books at all times and with all readers—but it is true significantly often enough to make books the most important weapon of strategic (long-range) propaganda.

According to The Chief of the Covert Action Staff, the CIA's clandestine handling of book publishing and distribution could:

- (a) Get books published or distributed abroad without revealing any U.S. influence, by covertly subsidizing foreign publications or booksellers.
- (b) Get books published which should not be "contaminated" by any overt tie-in with the U.S. government, especially if the position of the author is "delicate."
- (c) Get books published for operational reasons, regardless of commercial viability.
- (d) Initiate and subsidize indigenous national or international organizations for book publishing or distributing purposes.
- (e) Stimulate the writing of politically significant books by unknown foreign authors—either by directly subsidizing the author, if covert contact is feasible, or indirectly, through literary agents or publishers.

Well over a thousand books were produced, subsidized or sponsored by the CIA before the end of 1967. Approximately 25 percent of them were written in English. Many of them were published by cultural organizations which the CIA backed, and more often than not the author was unaware of CIA subsidization. Some books, however, involved direct collaboration between the CIA and the writer. The Chief of the Agency's propaganda unit wrote in 1961:

The advantage of our direct contact with the author is that we can acquaint him in great detail with our intentions; that we can provide him with whatever material we want him to include and that we can check the manuscript at every stage. Our control over the writer will have to be enforced usually by paying him for the time he works on the manuscript, or at least advancing him sums which he might have to repay . . . [the Agency] must make sure the actual manuscript will correspond with our operational and propagandistic intention. . . .

The Committee has reviewed a few examples of what the Chief of the Covert Action Staff termed "books published for operational reasons regardless of commercial viability." Examples included:

- (1) A book about the conflict in Indochina was produced in 1954 at the initiation of the CIA's Far East Division. A major U.S. publishing house under contract to the CIA published the book in French and English. Copies of both editions were distributed to foreign embassies

script were sold to the publisher through a trust fund which was established for the purpose. The publisher was unaware of any U.S. Government interest.

In 1967, the CIA stopped publishing within the United States. Since then, the Agency has published some 250 books abroad, most of them in foreign languages. The CIA has given special attention to publication and circulation abroad of books about conditions in the Soviet Bloc. Of those targeted at audiences outside the Soviet Union and Eastern Europe, a large number has also been available in English.

3. Domestic "Fallout"

The Committee finds that covert media operations can result in manipulating or incidentally misleading the American public. Despite efforts to minimize it, CIA employees, past and present, have conceded that there is no way to shield the American public completely from "fallout" in the United States from Agency propaganda or placements overseas. Indeed, following the Katzenbach inquiry, the Deputy Director for Operations issued a directive stating: "Fallout in the United States from a foreign publication which we support is inevitable and consequently permissible."

The domestic fallout of covert propaganda comes from many sources: books intended primarily for an English-speaking foreign audience; CIA press placements that are picked up by an international wire service; and publications resulting from direct CIA funding of foreign institutes. For example, a book written for an English-speaking foreign audience by one CIA operative was reviewed favorably by another CIA agent in the *New York Times*. The Committee also found that the CIA helped create and support various Vietnamese periodicals and publications. In at least one instance, a CIA supported Vietnamese publication was used to propagandize the American public and the members and staff of both houses of Congress. So effective was this propaganda that some members quoted from the publication in debating the controversial question of United States involvement in Vietnam.

The Committee found that this inevitable domestic fallout was compounded when the Agency circulated its subsidized books in the United States prior to their distribution abroad in order to induce a favorable reception overseas.

The Covert Use of U.S. Journalists and Media Institutions on February 11, 1976, CIA Director George Bush announced new guidelines governing the Agency's relationship with United States media organizations:

*Effective immediately, CIA will not enter into any paid or contractual relationship with any full-time or part-time news correspondent accredited by any U.S. news service, newspaper, periodical, radio or television network or station.*³⁸

³⁸ According to the CIA, "accredited" applies to individuals who are "formally authorized by contract or issuance of press credentials to represent themselves as correspondents." (For explanation of italics, see footnote, p. 179.)

Agency officials who testified after the February 11, 1976, announcement told the Committee that the prohibition extends to non-Americans accredited to specific United States media organizations.

The CIA currently maintains a network of several hundred foreign individuals around the world who provide intelligence for the CIA and at times attempt to influence opinion through the use of covert propaganda. These individuals provide the CIA with direct access to a large number of newspapers and periodicals, scores of press services and news agencies, radio and television stations, commercial book publishers, and other foreign media outlets.

Approximately 50 of the assets are individual American journalists or employees of U.S. media organizations. Of these, fewer than half are "accredited" by U.S. media organizations and thereby affected by the new prohibitions on the use of accredited newsmen. The remaining individuals are non-accredited freelance contributors and media representatives abroad, and thus are not affected by the new CIA prohibition.

More than a dozen United States news organizations and commercial publishing houses formerly provided cover for CIA agents abroad. A few of these organizations were unaware that they provided this cover.

The Committee notes that the new CIA prohibitions do not apply to "unaccredited" Americans serving in media organizations such as representatives of U.S. media organizations abroad or freelance writers. Of the more than 50 CIA relationships with United States journalists, or employees in American media organizations, fewer than one half will be terminated under the new CIA guidelines.

The Committee is concerned that the use of American journalists and media organizations for clandestine operations is a threat to the integrity of the press. All American journalists, whether accredited to a United States news organization or just a stringer, may be suspects when any are engaged in covert activities.³⁹

4. Covert Use of American Religious Personnel

The Committee has found that over the years the CIA has used very few religious personnel for operational purposes. The CIA informed the Committee that only 21 such individuals have ever participated in either covert action projects or the clandestine collection of intelligence. On February 11, 1976, the CIA announced:



CIA has no secret paid or contractual relationships with any American clergyman or missionary. This practice will be continued as a matter of policy.

The Committee welcomes this policy with the understanding that the prohibition against all "paid or contractual relationships" is in fact a prohibition against any operational use of all Americans following a religious vocation.

Recommendations

In its consideration of the recommendations that follow, the Committee noted the Central Intelligence Agency's concern that further restriction on the use of Americans for operational purposes will con-

³⁹ For explanation of italics, see footnote, p. 179.

TRA' MITTAL SLIP		DATE
TO: Mr. Hitz		
ROOM NO.	BUILDING	
REMARKS: <p>This took place after you had left the Staff Meeting on 27 November 1978.</p> <p style="text-align: center;">  O/ES  </p>		
FROM:		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 55

REPLACES FORM 36-8
WHICH MAY BE USED.

(47)